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Russian Federation FAIRS Product Specific Wine 2007

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Report Highlights:

This report describes labeling, packaging, and documentation requirements for wine exports to Russia.

Includes PSD Changes: No Includes Trade Matrix: No Unscheduled Report Moscow [RS1] [RS]

Fairs Product Specific Report General Requirements Wine and spirits

There are several general labeling requirements that must be adhered to before wine can be sold in Russia. For example, each bottle of wine is required to be labeled in Russian. The label can be placed on the bottle before shipment at the exporter's warehouse or producer's warehouse or after customs clearance, but must always be in place before the product reaches the retail market. There is no specific design requirement for the label.

This report is not complete but should provide a starting point for exporters. Your importer is the best possible resource for information about how to comply with Russian law. Please also note that the U.S. Agriculture Trade Office is not prepared to provide an explanation for Russian wine regulation. While everything possible was considered in the preparation of this report, information provided may not be complete, therefore we recommend new companies start by finding an interested Russian partner who can assist in meeting Russian import regulations.

Russian law requires that the following information be placed on the label, by product:

Wines:

- product name;
- manufacturer's name and location [in-country legal address, and if this physical location does not coincide with its legal address, the label should provide the producer's address(es)] and the address of the organization duly authorized by the manufacturer to accept claims from consumers in the territory of the Russian Federation (if any);
- the bottling facility name;
- bottling or registration date (for champagne produced in bottles, for vintage and collection wines);
- volume:
- manufacturer's trademark (if any);
- ethyl alcohol content (% of total volume);
- sugar content (except for dry wines, cognacs, brandy, calvados); champagnes, sparkling wines, flavored wines and ciders should be identified by the sugar content name. The law allows for the replacement of sugar content information with the percentage concentration of sugar for sparkling wines. The percentage concentration of sugar should also be indicated for sweet flavored wines;
- storage conditions;
- name of flavors, spices and dyes (for brandy, premixed wine beverages and cocktails). The manufacturer determines the list of major flavors and spices. The presence of ethyl alcohol rectified from edible raw materials also must be indicated for brandy. Ethyl alcohol rectified from edible raw materials and water is to be indicated for premixed wine beverages and cocktails;
- harvest year (for wines with the indication of place of origin, collection and vintage wines, old seasoned wines of the same grape harvest);
- use by date for wine drinks, cocktails and other wine products having a percentage volume of ethyl less than ten percent;
- food additives, flavors, biologically active food additives, ingredients of unconventional food products;
- reference to the regulatory document or technical specifications the product complies with and can be identified by;
- certification information.

Products subject to excise stamps or special stamps and intended for sale at duty-free shops should bear the indication "Only for sale in duty-free shops" on the label and counter-label.

Producers must label bottles of wine, vodka and other spirits with a warning listing the dangers of alcohol to minors, pregnant and nursing mothers, and those with disease of the nervous and digestive systems, the liver, and kidneys. Previously, generic labels were required, but there was no standard language. The new health label was mandated by legislation issued in Resolution No. 770, dated December 15, 2006, No. 770. Subsequent to the resolution, the Government issued a decree No. 55 on January 19, 1998, stating that after February 1, 2007, sale of alcohol is not permitted if a bottle does not indicate about harm from consumption of alcohol. Informational content is strictly defined by the Ministry of Health in a decree dated January 19, 2007 No. 49 "On the confirmation of preventative warnings to the consumer about alcohol consumption." The language states that the warning label must report in Russian that, "Alcohol is not for children and teen-agers up to age 18, pregnant and nursing women, or for persons with diseases of central nervous system, kidneys, liver and other digestive organs".

The Federal law also recognizes alcohol products which contain not more than 15 percent of ethyl spirit as natural wine of integrated products which are from wine materials without any addition of ethyl spirit or aromatic and flavor additives. However the concentrated stum would not fit the notion "aromatic and flavor additives." According to the Tax code of the Russian Federation, natural wines are assessed with the excise of 2 rubles and 20 kopecks, while the others are 112 rubles.

Packaging and Container Requirements

- Product information must be placed directly on the package in a convenient location.
- The bottling date of transparent colorless liquid products that are bottled in colorless containers may be marked on the reverse side of the label.
- When the package cannot accommodate the complete text of the required information, the manufacturer can, at its discretion, place all or part of the product information on an insert that accompanies each product unit or on a group package.
- Consumer information shall also be supplied with each unit of group consumer packaging used to retail food products in sells.
- When food products are sold at retail in an unpackaged form and when foods products are packaged within the sales area in the presence of the consumer, the retailer can, at their discretion, provide information about these products on an insert accompanying each consumer packaging unit, on the price tag, or within the sales area in the immediate vicinity of the product.

Import Documentation for Wine

The importer is required to provide the customs office with a product certificate issued by the relevant Russian certification entity. This document (a notarized copy is acceptable) has to be submitted to the customs office when wine crosses the border. To get this certificate, the importer has to provide the relevant service with the following documents (faxed copies are accepted):

Contract signed between the exporter and importer;

Certificate of Origin;

Certificate of Quality;

Certificate of Analysis along with the wine samples (three bottles per each name);

Import license of the importer;

License of the customs warehouse (where wines are to be cleared); and Excise stamps documents set.

At customs, the importer is also charged a VAT of 18 percent for wine.

In addition to the tariffs mentioned above, excise stamps are expensive and may constitute a significant portion of the wine's price. The Tax Code of the Russian Federation sets excises taxes, and the latest amendments to this Code raised these excise taxes to 162 rubles per liter of ethyl alcohol. The excise tax on a bottle of semi-sweet wine that contains 13 percent alcohol would be 15.8 rubles.

Government Regulatory Agency Contacts

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Russian Federation web sites of interest include:

Ministry of Agriculture: www.mcx.ru

UFAIS (stamps) Excise and Customs

www.egais.ru, www.nalog.ru e-mail: info@egais.ru

Ministry of Economic Development and Trade: www.economy.gov.ru

Federal Service for Consumer Rights and Social Welfare of the Ministry of Health and Social

Development: www.gsen.ru

Russian National Trade Point: www.rusimpex.ru